

20 May 16, 2006 Mail Ballot General Election

2006 – Important Dates to Remember

The City of Flagstaff will hold a Mail Ballot General Election on May 16, 2006. You do not need to request a mail ballot. Election materials will be automatically mailed to you about thirty days prior to Election Day. Because the 2006 General Election is a mail ballot election, there will be no polling places.

Last Day to Register to Vote for General Election

Monday, April 17, 2006

Last Day to Request a General Election Ballot to be Mailed to Another Address (If you will be at a different address during the voting period.)

Friday, May 5, 2006

GENERAL ELECTION DAY and Last Day to Return Voted Ballots in Person

Tuesday, May 16, 2006

In addition to electing a Mayor and three Councilmembers, the City Council is asking voters to decide whether or not:

1. The City's sales tax sunset clause should be eliminated.
2. The City's permanent base expenditure limit should be increased.
3. The transit tax should be increased and the sunset clause eliminated.
4. Workforce housing should be exempted from the expenditure limitation contained in Amendment No. 2 to the Charter of the City of Flagstaff.

The text of the ballot questions is reflected below in the "form of ballot".

Proposition 401	Proposition 402	Proposition 403	Proposition 404
<p>REFERRED TO THE PEOPLE BY THE CITY COUNCIL</p> <p>OFFICIAL TITLE Tax Code amendments to eliminate the sunset provision on the City's transaction privilege (sales) tax.</p> <p>DESCRIPTIVE TITLE Shall the City Council have the authority to remove the expiration date of November 4, 2014 (sunset provision) on the City's transaction privilege (sales) tax, excluding the tax on food as exempted by State law thus making the tax permanent?</p> <p>A "YES" vote shall have the effect of making the City's transaction privilege (sales) tax permanent.</p> <p>A "NO" vote shall have the effect of retaining the expiration date on the transaction privilege tax (sales tax).</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>REFERRED TO THE PEOPLE BY THE CITY COUNCIL</p> <p>OFFICIAL TITLE A resolution of the City Council proposing a permanent adjustment to the state-imposed base limitation for the City of Flagstaff in the amount of \$5,500,000.</p> <p>DESCRIPTIVE TITLE Pursuant to the Arizona State Constitution, the City of Flagstaff seeks voter approval to permanently adjust the expenditure base of the City as determined by the Economic Estimates Commission. The City seeks an adjustment of \$5,500,000.</p> <p>A "YES" vote shall have the effect of allowing the City to adjust its base expenditure limit.</p> <p>A "NO" vote shall have the effect of not allowing the City to adjust its base expenditure limit and to require expenditures of the City to be limited by the state-imposed expenditure limit.</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>REFERRED TO THE PEOPLE BY THE CITY COUNCIL</p> <p>OFFICIAL TITLE Tax code amendments regarding the transaction privilege (sales) tax for public transit purposes.</p> <p>DESCRIPTIVE TITLE Shall the City Council have the authority to amend the tax code of the City to levy an additional transaction privilege tax (sales tax) rate of .33% (\$0.0033), effective July 2006, excluding the sales tax on food as exempt by state law, for public transit purposes and remove the expiration date of May 2010 (sunset provision), in lieu of Proposition 402, passed in May 2000, thus making the tax permanent?</p> <p>A "YES" vote shall have the effect of allowing the City to levy an additional transaction privilege tax (sales tax) rate of .33% (\$0.0033), effective July 2006 and making the tax permanent.</p> <p>A "NO" vote shall have the effect of retaining the existing transaction privilege tax (sales tax) rate with an expiration of 2010.</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>REFERRED TO THE PEOPLE BY THE CITY COUNCIL</p> <p>OFFICIAL TITLE Proposed amendment to the City Charter by the City Council amending Article XVI, Amendment No. 2.</p> <p>DESCRIPTIVE TITLE Amendment to the City Charter exempting workforce housing from the indexed Charter expenditure limit established by the voters in 1984.</p> <p>A "YES" vote shall have the effect of exempting workforce housing from the indexed Charter expenditure limit established by the voters in 1984.</p> <p>A "NO" vote will not exempt workforce housing from the indexed Charter expenditure limit established by the voters in 1984.</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>

Voter Registration

All voters in Flagstaff's General Election must be registered City of Flagstaff voters. State law requires that residents be registered to vote at least 29 days before an election. To register to vote, or for further registration information, visit co.coconino.az.us/elections.

Election Procedures

You will automatically receive your voting materials in the mail. When you vote your ballot, be sure to sign the front of the postage-paid, return envelope, place your ballot in the envelope, and return it in the U.S. mail. **Ballots received in the mail after Election Day will not be included in the election results.**

Voters may also hand deliver ballots to the Coconino County Elections Office, 110 East Cherry, or deposit them in either one of the white ballot drop boxes located outside the Coconino County Office Building, 110 East Cherry Avenue, Flagstaff, Arizona or in front of the Coconino County Health and Community Services Building, 2625 North King

Street, Flagstaff Arizona, during regular business hours, Monday through Friday, throughout the balloting period, or during the hours of 6:00 a.m. to 7:00 p.m. on Election Day.

All returned mail ballots must be received by the Coconino County Elections Department by 7:00 p.m. on May 16, 2006.

Election materials cannot be forwarded. Therefore, it is important that your voter registration reflect your current voter information. If you change your name or your address, you must reregister with the Coconino County Elections Office to vote.

Additional election information is available on the City's website at: www.flagstaff.az.gov. Click on "City Clerk & City Code", and then on "Elections". You may also contact:

Flagstaff City Clerk's Office
211 W. Aspen Ave.
Flagstaff, AZ 86001
Telephone: 928-779-7607
cyclrk@ci.flagstaff.az.us

Elección General de Boleta Enviada por el Correo del 16 de Mayo de 2006

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El 16 de mayo de 2006 la Ciudad de Flagstaff celebrará una Elección General de Boleta Enviada por el Correo. No es necesario solicitar una boleta enviada por el correo. Los materiales electorales automáticamente se le enviarán por el correo a eso de treinta días antes del Día de la Elección. Siendo que la Elección General de 2006 es una elección de boleta enviada por el correo, no habrá centros electorales.

2006 – Fechas Importantes que Recordar

La Última Fecha para Inscribirse para Votar en la Elección General

lunes, 17 de abril de 2006

La Última Fecha para Pedir que una Boleta de la Elección General se le Envíe por el Correo a Otra Dirección Particular (Si se encontrará en una dirección diferente durante el período de votación.)

viernes, 5 de mayo de 2006

DÍA DE LA ELECCIÓN GENERAL y la Última Fecha para Regresar las Boletas Votadas en Persona

martes, 16 de mayo de 2006

Además de elegir un Alcalde y tres Miembros del Concejo, el Concejo de la Ciudad les pide a los votantes decidir si:

1. La fecha de vencimiento del impuesto sobre las ventas de la Ciudad se debe eliminar.
2. El límite de la base de gastos permanente de la Ciudad se debe de aumentar.
3. El impuesto de transporte se debe aumentar y eliminar la fecha de vencimiento.
4. Eximir la planta laboral de viviendas del límite de gastos que se encuentra en la Enmienda Núm. 2 de la Constitución de la Ciudad de Flagstaff.

El texto de las cuestiones de la boleta se presenta abajo en la “forma de la boleta”.

Proposición 401	Proposición 402	Proposición 403	Proposición 404
<p>REFERIDA A LA GENTE POR EL CONCEJO MUNICIPAL</p> <p>TÍTULO OFICIAL Enmiendas al Código de Impuestos para eliminar la estipulación de la cláusula de fecha de terminación del Impuesto de Privilegio de Transacción (Ventas).</p> <p>TÍTULO DESCRIPTIVO ¿Deberá el Concejo Municipal tener la autoridad de eliminar la fecha de vencimiento de 4 de noviembre de 2014 (cláusula de fecha de terminación) sobre el Impuesto de Privilegio de Transacción (Ventas) de la Ciudad (excluyendo el impuesto sobre la comida como exento por la Ley del Estado de este modo estableciendo el impuesto permanentemente)?</p> <p>Un voto de “SÍ” tendrá el efecto de establecer permanentemente el impuesto de privilegio de transacción (ventas).</p> <p>Un voto de “NO” tendrá el efecto de conservar la fecha de terminación del impuesto de privilegio de transacción (impuesto sobre las ventas).</p> <p><input type="checkbox"/> Sí <input type="checkbox"/> No</p>	<p>REFERIDA A LA GENTE POR EL CONCEJO MUNICIPAL</p> <p>TÍTULO OFICIAL Una resolución del Concejo Municipal que propone una modificación permanente a la base de limitación de la Ciudad de Flagstaff en la cantidad de \$5,500,000.</p> <p>TÍTULO DESCRIPTIVO De acuerdo con la Constitución del Estado de Arizona, la Ciudad de Flagstaff procura la aprobación de los votantes de modificar permanentemente la base de gastos de la Ciudad como determinado por la Comisión de Cálculos Económicos. La Ciudad procura una modificación de \$5,500,000.</p> <p>Un voto de “SÍ” tendrá el efecto de permitir a la Ciudad modificar su base del límite de gastos.</p> <p>Un voto de “NO” tendrá el efecto de no permitir a la Ciudad modificar su base del límite de gastos y requerir que los gastos de la Ciudad sean limitados por el límite de gastos ordenado por el estado.</p> <p><input type="checkbox"/> Sí <input type="checkbox"/> No</p>	<p>REFERIDA A LA GENTE POR EL CONCEJO MUNICIPAL</p> <p>TÍTULO OFICIAL Enmiendas al código de impuestos en relación con el impuesto de privilegio de transacción (ventas) para propósitos de transporte.</p> <p>TÍTULO DESCRIPTIVO Deberá el Concejo Municipal tener la autoridad de enmendar el código de impuestos de la ciudad para gravar un impuesto de privilegio de transacción (impuesto sobre las Ventas) adicional a una tasa de .33% (\$0.0033), fecha de vigencia julio de 2006, excluyendo el impuesto sobre la comida como exento por la ley del estado, para propósitos de transporte público y eliminar la fecha de vencimiento de mayo de 2010 (cláusula de fecha de terminación), en lugar de la Proposición 402, aprobada en mayo de 2000, de este modo estableciendo el impuesto permanentemente?</p> <p>Un voto de “SÍ” tendrá el efecto de permitir a la Ciudad gravar un impuesto de privilegio de transacción (impuesto sobre las ventas) a una tasa de .33% (\$0.0033), fecha de vigencia julio de 2006 y estableciendo permanentemente el impuesto.</p> <p>Un voto de “NO” tendrá el efecto de conservar la tasa del impuesto de privilegio de transacción (impuesto sobre las ventas) con una fecha de terminación de 2010.</p> <p><input type="checkbox"/> Sí <input type="checkbox"/> No</p>	<p>REFERIDA A LA GENTE POR EL CONCEJO MUNICIPAL</p> <p>TÍTULO OFICIAL Enmienda propuesta a la Constitución de la Ciudad por el Concejo de la Ciudad enmendando el Artículo XVI, Enmienda Núm. 2.</p> <p>TÍTULO DESCRIPTIVO Enmienda a la Constitución de la Ciudad que exenta la planta laboral de viviendas de la lista de índice del límite de gastos de la Constitución establecido por los votantes en 1984.</p> <p>Un voto de “SÍ” tendrá el efecto de exentar la planta laboral de viviendas de la lista de índice del límite de gastos de la Constitución establecido por los votantes en 1984.</p> <p>Un voto de “NO” no exentará la planta laboral de viviendas de la lista de índice del límite de gastos de la Constitución establecido por los votantes en 1984.</p> <p><input type="checkbox"/> Sí <input type="checkbox"/> No</p>

Inscripción Como Votante

Todos los votantes de la Elección General de Flagstaff tienen que ser votantes inscritos para votar en la Ciudad de Flagstaff. La ley del Estado ordena que los residentes se inscriban para votar a lo menos de 29 días antes de una elección. Para inscribirse para votar, o para información adicional de inscribirse para votar, visite co.coconino.az.us/elections.

Procedimientos Electorales

Uno recibirá los materiales de votación automáticamente. Al votar su boleta asegúrese de firmar el frente del sobre de regreso con franqueo pagado, coloque su boleta en el sobre y regreselo por el correo de los Estados Unidos. **Las boletas que se reciban por el correo después del Día de la Elección no se van a incluir en los resultados de la elección.**

Los votantes también pueden entregar las boletas en persona en la Oficina de Elecciones del Condado Coconino, 110 East Cherry, o las puede depositar en cualesquier de los buzones para boletas blancos ubicados afuera del Edificio de Oficinas del Condado Coconino, 110 East Cherry Avenue, Flagstaff, Arizona o enfrente del Edificio de Servicios de Salud y de la Comunidad del Condado Coconino, 2625 North King Street, Flagstaff,

Arizona, durante las horas de negocio regulares, lunes a viernes, durante el período de votación, o durante las horas de 6:00 a.m. a 7:00 p.m. el Día de la Elección.

El Departamento de Elecciones del Condado Coconino tiene que recibir todas las boletas que se regresan por el correo para las 7:00 p.m. el 16 de mayo de 2006.

Los materiales electorales no se pueden hacer seguir. Por consiguiente, es muy importante que su registro como votante contenga su información como votante correcta. Si cambia su nombre o su dirección, tiene que inscribirse de nuevo en la Oficina de Elecciones del Condado Coconino para votar.

Información electoral adicional está disponible en el sitio web de la Ciudad al www.flagstaff.az.gov click en “City Clerk & City Code”, luego en “Elections”. También se puede comunicar con:

Oficina de la Secretaría Municipal de Flagstaff
211 W. Aspen Ave.
Flagstaff, AZ 86001
Teléfono: 928-779-7607
cityclrk@ci.flagstaff.az.us



City of Flagstaff, Arizona

May 16, 2006

• MAIL BALLOT GENERAL ELECTION •

The City of Flagstaff will hold a Mail Ballot General Election on May 16, 2006. You do not need to request a mail ballot. Election materials will be automatically mailed to you about thirty days prior to Election Day. Because the 2006 General Election is a mail ballot election, there will be no polling places. Official ballot language for all propositions can be found on pages 20 and 21.

Proposition 401

The City currently has a base sales tax rate of 1%. This tax expires every ten years and has to be renewed by the voters. The next expiration date is November 4, 2014. Flagstaff is the only City in the state with an expiration date for the base sales tax. If passed, this resolution will allow the City sales tax to continue at its present level without requiring a voter-approved renewal every ten years.

Why is the city asking voters to remove the sunset provision?

Flagstaff is the only city in the state that has a sunset provision on its base sales tax. This tax is the single largest contributor to the general fund. A permanent source of revenue, without a sunset provision, will enable the city to do more long term planning. It will also eliminate some election expenses incurred every ten years.

What is the City Sales Tax?

This is a 1% tax that, in general, applies to the sales of goods. The tax also applies to advertising, rentals of commercial property, and the sale of new construction. The two biggest items that are not subject to the city sales tax are the sale of food for home consumption (groceries), and residential rentals.

How much revenue does this tax raise for the city?

For the 2005-2006 fiscal year this tax will bring in approximately \$12,700,000. This accounts for 40% of the City's General Fund budget. This money is used for the delivery of the essential daily services provided by the City, such as public safety, parks, recreation, library and building inspection.

How does our tax rate compare to other cities?

The base tax rate for the city of 1% is the same as three other communities. All other cities and towns in the state have a higher rate.

Are there local taxes that I pay that are similar to the sales tax?

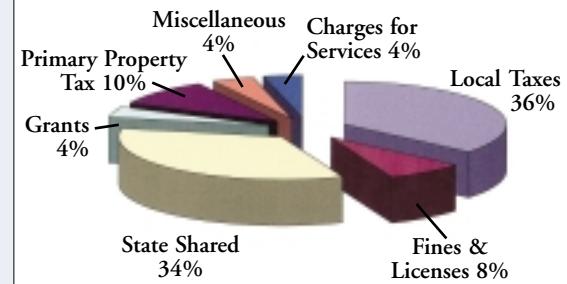
Yes. The city currently has a 2% BBB Tax that applies to hotels, restaurants and bars. The Transportation Tax of 0.601% is also collected by local businesses. Neither of these taxes will be affected by this election.

Who pays this tax?

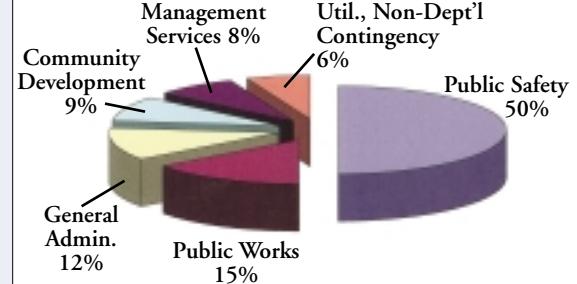
Local businesses collect the tax when patrons make a purchase. Studies have shown that people who do not live in the City pay approximately 50% of the City tax. This includes tourists, people with second homes in Flagstaff, as well as people living in outlying areas that shop in the City. A significant

number of homes in Flagstaff are second homes for people that live elsewhere. These homeowners purchase goods in the City and contribute city sales tax with those purchases.

General Fund Revenue



General Fund Expenditures



Proposition 402

What is the expenditure limitation?

The expenditure limitation was established in 1978 to establish a maximum limit a city or other governmental entity can spend. Both a population and an inflation factor adjust it annually.

Why does the City of Flagstaff need to adjust the expenditure limitation?

The City has had growth over and above that accounted for in the annual expenditure limitation adjustment. This growth includes the transportation tax, environmental services programs, and the stormwater management program to name a few.

Why does the question read an increase of \$5.5 million but the City will actually receive an increase of over \$25 million? It seems as if the City is trying to be misleading.

The City is mandated to phrase the question in '1980 dollars'. When the Economic Estimates Commission applies the formula that has both the population and inflation factors in it, the '1980 dollars' of a \$5.5 million increase are translated into the current adjustment of \$25 million. The City is providing this information in a number of public forums so the public understands the actual impact of this adjustment.

Are my taxes going to go up?

There is no tax increase associated with an increased expenditure limitation. The increase in the expenditure limitation gives the City the ability to budget and spend on programs that the public has already accepted or new ones that are needed.

Is the City going to immediately spend all this money?

The City continues to have to operate with a balanced budget. Increasing the authority to spend as revenues become available does not allow the City to spend more than they have resources for.

What happens if the City exceeds its expenditure limitation?

The City will lose state revenue in the form of fines. The amount of the fine is dependent on how much the City exceeded the expenditure limitation and whether it is a first offense or a repeated offense.

The graph summarizes the growth the City has experienced versus the growth in the expenditure limitation.

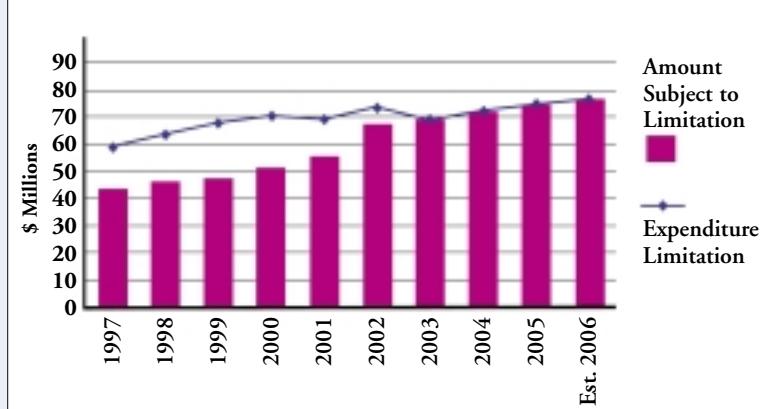
Not every dollar the City budgets and spends is subject to the expendi-

ture limitation. The expenditure limitation calculation allows for certain exclusions and deductions including, but not limited to:

- Bond funded capital projects
- Grant funded programs or purchases
- Contracts with other political subdivisions
- A portion of highway user revenue

After the expenditure limitation analysis is completed on an annual basis, the following graph illustrates that the City is currently at the maximum.

Expenditure Limitation Growth



Proposition 403

This is the City of Flagstaff ballot measure to increase the Transit Tax and make it permanent.

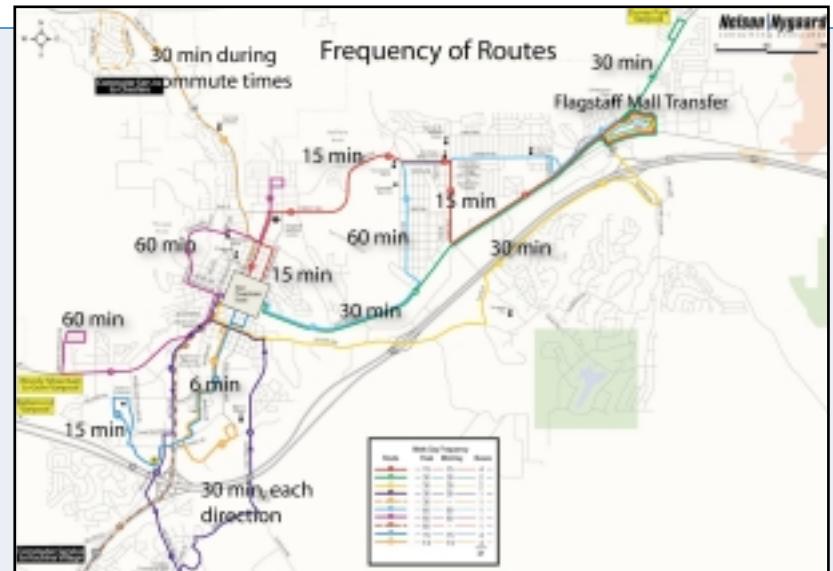
Purpose: The transit tax funds public transportation within the City of Flagstaff including both Mountain Line transit that provides fixed route service to the general public and Van Go that provides paratransit service for eligible residents with mobility impairments.

Background: In the year 2000, residents passed a 0.00175% transit tax. The tax was designed to support the revamping of Pine Country Transit to a higher level of service under Mountain Line and Van Go. The results have been an increase in passenger trips from 100,000 in 2001 under Pine Country Transit to an estimated 572,000 in 2006. The current tax will expire in 2010.

Mountain Line has just completed a new Five Year Service Plan that outlines major service increases intended to provide attractive, convenient, and economical mobility for all residents – including residents without vehicles, commuters, students, and visitors. The new transit plan seeks to implement the goals expressed in Flagstaff's Land Use and Transportation Plan that was adopted by residents in 2001.

What the increased tax revenue would be used for:

- Launching Mountain Links that would connect Woodlands Village, Northern Arizona University, Southside and Downtown with buses every 15 minutes.
- Cross-town Express Route that would connect a downtown transfer center to the Flagstaff Medical Center corridor, over Cedar Hill through the Fourth Street Corridor to the Flagstaff Mall. Buses would run every 15 minutes.
- Peak hour commuter service from Cheshire to downtown and Northern Arizona University. Buses would run every 30 minutes.
- New service from Railroad Springs and West Route 66 to downtown. Buses would run every 60 minutes.
- Partnering with Coconino County to provide commuter services to Kachina Village, Doney Park, and Bellemont.



Equipment and Facilities

The increased transit tax revenues would also help fund the necessary capital to implement the plan such as new hybrid electric vehicles, a downtown transfer center, and infrastructure improvements to Fourth Street. The Plan calls for the major service increases to launch in the fall of 2008.

Proposition 404

Background: Since the establishment of the Flagstaff Housing Authority in 1941, the City has provided opportunities to make housing available for Flagstaff residents; these opportunities have included partnerships with non-profit organizations and the private development community. Typically, funding for housing is from sources outside of the City budget. Given the significant increase in construction and land costs, as well as an increased need for housing opportunities for the workforce in Flagstaff, the 1984 Charter Amendment has become a barrier to the City participating in projects of a sufficient scale to address the growing need for housing opportunities.

The Community Housing Policy Task Force, a Council-appointed citizen group representing a broad cross-section of individuals who studied the housing issue in Flagstaff for a year, recommended the change to Charter Amendment No. 2. The Task Force identified removing the expenditure cap for workforce housing as a viable way to increase the efficiency of housing program delivery. This amendment will allow workforce housing to be provided in a more efficient and cost effective manner.

What is workforce housing?

Workforce housing is housing that is affordable to households who lack the necessary income to live in decent, safe, and sanitary dwellings without overcrowding. This includes members of Flagstaff's workforce such as teachers, bank tellers, nurses, construction workers, police officers, and other essential workers.

Who will benefit from Proposition 404?

As defined above, workforce housing will benefit the entire Flagstaff community. In the past five years, the median price of a home has risen 85%. The \$298,250 median price of a home is out of reach for a household earning the area median income. Housing is one of the most critical challenges to regional economic vitality and competitiveness. Without affordably priced homes, it is difficult for employers in Flagstaff to recruit and retain a skilled workforce.

Will this raise my taxes?

No. The proposed Charter amendment has no impact on tax rates in the City of Flagstaff.

Why exempt workforce housing from the Charter expenditure limit?

The City has historically provided programs to make housing available for Flagstaff residents. These programs include, but are not limited to, partnerships with non-profits and the private development community. City participation with a variety of funding possibilities, such as grants or private dollars, both non-city funding sources, may result in triggering the expenditure cap for even small projects (currently eight units or less), requiring the holding of an election for voter approval of each project. The delay resulting from an election will increase costs and impede the City's ability to efficiently deliver housing programs benefiting Flagstaff's workforce.

How will Proposition 404 change current City of Flagstaff housing programs?

It does not change the type of programs offered by the City of Flagstaff. It will allow the City of Flagstaff to participate in more opportunities to provide additional housing opportunities. This amendment will only change

the capacity and efficiency in delivering existing programs.

Has housing been identified an issue through any other means?

Yes. The Flagstaff Area Regional Land Use and Transportation Plan approved by the voters in May, 2002, identified housing that is affordable to the workforce as a priority in order to maintain a viable and diverse community.

Does Proposition 404 give the City a "blank check"?

No. City participation in the development of workforce housing must go through a public process of project approval and funding allocation with full disclosure. All decisions are made by the City Council at public meetings where citizens may participate and provide input into the process. When bonding is required, it must be approved by the voters.

Are Proposition 402 and this proposition related?

No. One has no bearing on the other.

Flagstaff Housing Affordability for Homebuyers and Renters for Common Occupations – 2005

Median Home Price

\$298,250

Hourly Wage Needed to Buy

\$41.44

3 Bedroom Apartment Monthly Rent

\$1,166

Hourly Wage Needed to Rent

\$22.42

These statistics were derived from end of year MLS data for median home price in Flagstaff, U.S. Department of Housing and Urban Development for Fair Market Rents, and workforce.az.gov for 2004 Occupational Employment & Hourly wage estimates by industry.

Occupation	Wage	Occupation	Wage	Occupation	Wage
Waitperson	\$6.18	Registered Nurse	\$23.71	Pharmacist	\$42.07
Retail Worker	\$8.39	Civil Engineer	\$28.92		
Bank Teller	\$10.09	Physical Therapist	\$27.42		
Total All Occupations	\$11.36	Veterinarian	\$28.20		
Firefighter	\$14.35	Loan Officer	\$29.91		
Teacher	\$15.13				
Automotive Repair Mechanics	\$16.01				
Police Officer	\$17.21				
Paralegal	\$17.41				
Librarian	\$18.07				
Construction Manager	\$21.26				

Based on the median home price for Flagstaff, the fair market wage for a 3 bedroom rental, and a representative sample of median hourly wages for Coconino County; the occupations in the left hand column (in RED) cannot afford to rent or buy based on these figures. The middle column (in YELLOW) occupations can afford to rent but not to buy, and the right column (in GREEN) can afford to rent or buy.